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**SUBSTITUTE HOUSE BILL 1438**

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**State of Washington**

**55th Legislature**

**1997 Regular Session**

**By** House Committee on Energy & Utilities (originally sponsored by Representatives Crouse, Poulsen, Morris, DeBolt, Kessler, Kastama, Cooper, Mielke and Mulliken)

Read first time 03/05/97.

1 AN ACT Relating to mandatory measured telecommunications service;  
2 and amending RCW 80.04.130.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 80.04.130 and 1993 c 311 s 1 are each amended to read  
5 as follows:

6 (1) Whenever any public service company shall file with the  
7 commission any schedule, classification, rule or regulation, the effect  
8 of which is to change any rate, charge, rental or toll theretofore  
9 charged, the commission shall have power, either upon its own motion or  
10 upon complaint, upon notice, to enter upon a hearing concerning such  
11 proposed change and the reasonableness and justness thereof, and  
12 pending such hearing and the decision thereon the commission may  
13 suspend the operation of such rate, charge, rental or toll for a period  
14 not exceeding ten months from the time the same would otherwise go into  
15 effect, and after a full hearing the commission may make such order in  
16 reference thereto as would be provided in a hearing initiated after the  
17 same had become effective. The commission shall not suspend a tariff  
18 that makes a decrease in a rate, charge, rental, or toll filed by a  
19 telecommunications company pending investigation of the fairness,

1 justness, and reasonableness of the decrease when the filing does not  
2 contain any offsetting increase to another rate, charge, rental, or  
3 toll and the filing company agrees to not file for an increase to any  
4 rate, charge, rental, or toll to recover the revenue deficit that  
5 results from the decrease for a period of one year. The filing company  
6 shall file with any decrease sufficient information as the commission  
7 by rule may require to demonstrate the decreased rate, charge, rental,  
8 or toll is above the long run incremental cost of the service. A  
9 tariff decrease that results in a rate that is below long run  
10 incremental cost, or is contrary to commission rule or order, or the  
11 requirements of this chapter, shall be rejected for filing and returned  
12 to the company. The commission may prescribe a different rate to be  
13 effective on the prospective date stated in its final order after its  
14 investigation, if it concludes based on the record that the originally  
15 filed and effective rate is unjust, unfair, or unreasonable.

16 For the purposes of this section, tariffs for the following  
17 telecommunications services, that temporarily waive or reduce charges  
18 for existing or new subscribers for a period not to exceed sixty days  
19 in order to promote the use of the services shall be considered tariffs  
20 that decrease rates, charges, rentals, or tolls:

- 21 (a) Custom calling service;
- 22 (b) Second access lines; or
- 23 (c) Other services the commission specifies by rule.

24 The commission may suspend any promotional tariff other than those  
25 listed in (a) through (c) of this subsection.

26 The commission may suspend the initial tariff filing of any water  
27 company removed from and later subject to commission jurisdiction  
28 because of the number of customers or the average annual gross revenue  
29 per customer provisions of RCW 80.04.010. The commission may allow  
30 temporary rates during the suspension period. These rates shall not  
31 exceed the rates charged when the company was last regulated. Upon a  
32 showing of good cause by the company, the commission may establish a  
33 different level of temporary rates.

34 (2) At any hearing involving any change in any schedule,  
35 classification, rule or regulation the effect of which is to increase  
36 any rate, charge, rental or toll theretofore charged, the burden of  
37 proof to show that such increase is just and reasonable shall be upon  
38 the public service company.

1       (3)     The     implementation     of     mandatory     local     measured  
2     telecommunications     service     is     a     major     policy     change     in     available  
3     telecommunications     service.     The     commission     shall     not     accept for filing  
4     a price list, nor shall it     accept for filing or approve, prior to June  
5     1, (~~1998~~) 2001, a tariff filed by a telecommunications company which  
6     imposes mandatory local measured service on any customer or class of  
7     customers, except that, upon finding that it is in the public interest,  
8     the commission may accept for filing a price list or it may accept for  
9     filing and approve a tariff that imposes mandatory measured service for  
10    a telecommunications company's extended area service or foreign  
11    exchange service. This subsection does not apply to land, air, or  
12    marine mobile service, or to pay telephone service, or to any service  
13    which has been traditionally offered on a measured service basis.

14       (4)     The implementation of Washington telephone assistance program  
15     service is a major policy change in available telecommunications  
16     service. The implementation of Washington telephone assistance program  
17     service will aid in achieving the stated goal of universal telephone  
18     service.

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